

H.R. 4270, Abandoned Well Remediation Research and Development Act
 As ordered reported by the House Committee on Science, Space, and Technology on January 19, 2022

By Fiscal Year, Millions of Dollars	2022	2022-2026	2022-2031
Direct Spending (Outlays)	0	0	0
Revenues	0	0	0
Increase or Decrease (-) in the Deficit	0	0	0
Spending Subject to Appropriation (Outlays)	0	69	133
Statutory pay-as-you-go procedures apply?	No	Mandate Effects	
Increases on-budget deficits in any of the four consecutive 10-year periods beginning in 2032?	No	Contains intergovernmental mandate?	No
		Contains private-sector mandate?	No

H.R. 4270 would authorize the appropriation of specific amounts each year from 2022 through 2026, totaling \$163 million, for the Department of Energy (DOE), in coordination with other federal and state agencies, to establish an abandoned oil and gas well research and demonstration program. Under the program, DOE would focus on developing technologies and strategies to improve abandoned well identification, increase the efficiency of abandoned well plugging and repurposing, and mitigate the effects of abandoned wells on the environment.

For this estimate, CBO assumes that the bill will be enacted near the end of fiscal year 2022 and that the specified amounts will be appropriated each year. However, the Infrastructure Investment and Jobs Act (Public Law 117-58) appropriated \$30 million to DOE for similar activities in 2022—an amount equal to what H.R. 4270 would authorize for that same year. Accordingly, CBO’s estimate of the budgetary effects of the bill reflects authorizations totaling \$133 million over the 2022-2026 period—the difference between the amounts specified in the bill and the amounts provided under current law.

Based on historical spending patterns for similar programs, CBO estimates that implementing H.R. 4270 would cost \$69 million over the 2022-2026 period and \$64 million after 2026.

The costs of the legislation, detailed in Table 1, largely fall within budget function 270 (energy).



Table 1.
Estimated Increases in Spending Subject to Appropriation Under H.R. 4270

	By Fiscal Year, Millions of Dollars										2022-2026	2022-2031
	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031		
Authorization ^a	0	31	33	34	35	0	0	0	0	0	133	133
Estimated Outlays	0	5	14	22	28	26	19	11	6	2	69	133

a. H.R. 4270 would authorize the appropriation of \$30 million in 2022 for the Department of Energy to conduct the activities required under the bill. However, the Infrastructure Investment and Jobs Act (Public Law 117-58) appropriated that amount in 2022 for similar activities. As a result, CBO estimates that H.R. 4270 would not affect spending subject to appropriation in 2022.

The CBO staff contact for this estimate is Aaron Krupkin. The estimate was reviewed by H. Samuel Papenfuss, Deputy Director of Budget Analysis.